

February 14, 2017

VIA ELECTRONIC FILING

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Re: WC Docket No. 11-42 Lifeline and Link Up Reform and Modernization
WC Docket No. 09-197 Telecommunications Carriers Eligible for Universal
Service Support
WC Docket No. 10-90 Connect America Fund**

NOTICE OF EX PARTE PRESENTATION

Dear Ms. Dortch:

On February 13, 2017, Mark Rubin, Senior Executive, Government Relations, TracFone Wireless, Inc. ("TracFone"), Stephen Athanson, Regulatory Counsel, TracFone, and undersigned counsel met with several members of the staff of the Wireline Competition Bureau. Those staff members included Trent Harkrader, Associate Bureau Chief, Ryan Palmer, Chief, Telecommunications Access Policy Division ("TAPD"), Jodie Griffin, Deputy Chief, TAPD, Garnet Hanly, Special Counsel, TAPD, and Rashann Duvall, Attorney Advisor, TAPD.

During the meeting, we discussed TracFone's concern that certain providers of Lifeline service had been misinterpreting the Commission's rule governing "port freezes" of Lifeline customers in a manner which resulted in customers being tied to one provider for twelve months despite the fact that those providers were not providing their Lifeline customers with Broadband Internet Access Service ("BIAS") which complies with the Commission's minimum standards for BIAS promulgated as part of the Commission's Lifeline Modernization Order (Lifeline and Link Up Reform and Modernization, et al, 31 FCC Rcd 3962 (2016)). The positions articulated during that meeting were consistent with those set forth in TracFone's January 18, 2017 ex parte letter. That letter requested that the Commission clarify that the Lifeline rules only permit 12 month port freezes on broadband Lifeline services which meet the 500 MB minimum service standard for mobile broadband services, that Lifeline service provided to consumers who have so-called "feature phones" does not enable consumers to utilize BIAS as that term is defined in the Commission's rules, and that Wi-Fi access does not meet the 500 MB minimum standard. A presentation document was provided to each attendee. A copy of that document is enclosed attached to this letter.

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Pursuant to Section 1.1206 of the Commission's rules, this letter is being filed electronically. If there are questions, please communicate directly with undersigned counsel for TracFone.

Sincerely,



Mitchell F. Brecher

Enclosure

Cc: Mr. Trent Harkrader
Mr. Ryan Palmer
Ms. Jodie Griffin
Ms. Garnet Hanly
Ms. Rashann Duvall

Enclosure

TracFone Wireless, Inc.

FCC Presentation

February 2017



FCC Should Clarify That 12 Month Port Freeze Should Be Limited to Broadband Internet Access Service That is Really Broadband Internet Access

- 12 month port freeze is applicable only to Lifeline-supported broadband Internet access service (BIAS) offerings.
 - Reason: To incentivize Provider Investments in Broadband Services and Broadband-suitable Devices
- BIAS requires capability to transmit/receive data from all or substantially all Internet endpoints, including any capabilities that are incidental to or enable the operation of the communication service.
- Feature phones do not Provide a Sufficient BIAS User Experience to justify locking in consumers for a year.
 - Reason - they have limited capacity to transmit/receive data; are wholly unsuitable for downloading data (*e.g.*, videos or music files), and have limited or no capacity to download and use apps. **3G is not BIAS**
- Access to Wi-Fi that does not guarantee seamless mobile BIAS does not meet the minimum standards for Lifeline.
- At least one provider admits it is delivering its Lifeline customers only 10 MB of broadband (which it calls a “back up”) (far below the 500 MB minimum standard) and relying on Wi-Fi to meet the remainder of the minimum standard.
 - Even so-called “Premium” Wi-Fi is only available at Wi-Fi hotspots provided by others.
 - If Wi-Fi (*i.e.*, Internet access provided by others) is to count as “broadband,” the FCC’s minimum standards would be meaningless.

Unless an ETC provides customers with 500 MB of broadband data and a device suitable to BIAS, then it should only be allowed to freeze such customers’ accounts for 60 days – the FCC rule for voice Lifeline services.

TracFone Has Been the Leader in Proposing and Advocating Lifeline Reforms to Prevent USF Waste, Fraud and Abuse

- TracFone has proactively proposed and advocated for numerous reforms to prevent waste, fraud and abuse of USF resources.
- The FCC adopted several effective Fraud Prevention reforms proposed by TracFone.
 - Retention of eligibility documentation and making documentation available to the FCC, state commissions and USAC for audit (2015).
 - Elimination of Link Up support (2012).
 - Collection of Lifeline applicants' date of birth and Social Security Number (last 4 digits) for a third party identification verification check (2012).
 - De-enrollment of non-billed Lifeline subscribers for 60 days of non-usage of the Lifeline service (2012).
 - Annual verification of eligibility of all Lifeline subscribers rather than just a "random sample" (2012).
- TracFone has engaged in Direct efforts to protect the integrity of the Lifeline Program.
 - Successfully negotiated with numerous state agencies to obtain access to lists of state residents enrolled in Lifeline qualifying programs.
 - Actively participated with FCC Staff to develop a means to eliminate intracompany duplicates.

TracFone Shares Chairman Pai's Goal of Bridging the Digital Divide

- There remains a Digital Divide in the U.S. and Bridging that Divide Should be a FCC Priority.
- TracFone looks forward to partnering with the Commission to address how best to connect all Americans.
- A modernized, well-managed Lifeline program with meaningful fraud prevention safeguards will contribute to solving the economic basis for the Digital Divide.